

**Indiana Department of Revenue**  
*Office of the Commissioner*  
**Indianapolis, Indiana**

KENNETH L. MILLER  
COMMISSIONER

January 23, 2003

Dear Indiana Not-For-Profit Organization:

You recently received a letter from the Indiana Department of Revenue outlining recent state law changes and the effect on not-for-profit organizations. Due to the amount of inquiries, the following information has been compiled for clarification purposes.

First, there has been no revocation of any organization's not-for-profit status. The Internal Revenue Service and not the Department of Revenue determines not-for-profit status. On January 1, 2003, however, new laws were enacted that eliminated Indiana's gross income tax and moved all reporting and application procedures for not-for-profit organizations from the gross income tax to the sales tax statute. Any organization that was regarded as a not-for-profit organization prior to January 1, 2003, still has its not-for-profit status today.

Over 21,000 letters were sent to organizations, such as yours, that at one time had registered with the Department but were not current in filing their annual reports. Enclosed with the original letter was a NFP-20A. This form does not affect your not-for-profit status but simply allows the Department to process your new sales tax exemption certificate. If an organization decides that it does not want to be exempt from sales tax or has no need for sales tax exemption, then no action need be taken by the not-for-profit organization.

This completed form will also allow the Department to update its records since many of these organizations have not filed any type of documentation for years. Moreover, the issuance of the new certificates will assist retailers in determining what organizations are exempt from Indiana sales tax. *To expedite this process, the Department has determined that Questions 9 – 16 and Attachments a – f on the NFP-20A are not needed.*

Please note the law requires not-for-profit organizations to report annually in order to maintain their sales tax exemption. The first report will not be due until 2004, and at this time, the form has not been finalized, though the information requested is expected to be minimal and not burdensome.

I hope this has provided you with additional information to clarify our previous correspondence. For those organizations that have already filed their applications, the Department thanks you for your assistance. No additional information is needed from you at this time.

Sincerely,

Kenneth L. Miller  
Commissioner